Secta. II-27—100,000—21-5-52.

Development (1948) Department.

No. SERIES.

G.O. No. 2370

Dated 10 - 8 - 48

[Despatch Abstract.]

Textiles - Handloom Cloth - Export to all [illegible] destinations outside India - Free licensing till the end of July 1948 - Government of India's reply - Papers recorded.

GOVERNMENT OF MADRAS.
Development Department.

Letter/Reference No. 29733/M.II/48-1.

From

Sri. C.V. Narasimhan, I.C.S.,
Deputy Secretary to Government.

To

The Secretary to the Government of India,
Ministry of Commerce,
New Delhi.

Dated, Fort St. George, the 18th March 1948.

Sir,

Sub:- Textiles - Handloom cloth - Export to Pakistan - Allocation of a quota.

Prior to the creation of Pakistan, the export quotas of handloom cloth from the Madras Province to Bengal, Punjab and Sind were as follows:-

Bengal.	1,000 bales per mensem.
Punjab.	60 bales per mensem.
Sind.	30 bales per mensem.

After the partition of the Punjab and Bengal, the quotas were not split up. The exporters to Bengal were given permits either to Calcutta or Chittagong while the quotaholders of the Punjab were allowed to export either to Lahore or Amristsar Many exporters, however, preferred to export handloom cloth to Pakistan, where there is large demand for our handloom cloth.

2. Foreign markets are vital to our handloom industry. This Government, in their letter No. 4803/M.II/48-1 dated 12.1.1948 have already pressed upon the Central Government to increase the total export quota of handloom cloth from 30 to 100 millon yards in the interests of the handloom industry. Pakistan is an important market for lungies, furnishing fabries, etc.

The Madras Government understand from reports in the Press that the Government of India have since reached an agreement with the Government of Pakistan according to which Indian cloth is to be exported to Pakistan in return for cotton from there. Details of the arrangements are not known. In order to safeguard the interests of handloom export trade of this Province and to keep alive the long established business contact with the areas now coming under the Pakistan Dominion, it is essential that a quota is available for handloom exports to Pakistan from this Province. I am therefore directs to request that with reference to the quantities exported in the past the Madras Province may be allowed to export 1,200 bales of handloom cloth per mensem equivalent to 10.8 million yards per half year and that for the first half of 1948,

the export quotafor Pakistan may be fixed as 10,800,000 yards.

Yours faithfully,

(Sd) C.V. Narasimhan,
Deputy Secretary to Government.

Copy to the Provincial Textile Commissioner, Madras.

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No. 67-C.W.(5)/48.
GCVERNMENT OF INDIA.
Ministry of Commerce.

New Delhi, the 3rd May 1948.

From

B.M. Mehta, Esquire, B.A.,
Assistant Secretary to the Government of India.

To

The Secretary to the Government of Madras,
Development Department,
Fort St. George, Madras.

Sub:- Export of handloom cloth.

Sir,

In continuation of this Ministry's letters Nos. 67-CW(5)/48 and 67-CW(4)/48 dated the 29th March 1948 & and 6th April 1948 respectively, on the above subject, I am directed to say that the Government of India have decided to license exports of handloom cloth freely to allpermissible destinations till the end of July 1948. Necessary instructions in the matter have already been issued to the Export Trade Controller, Madras, by the Chief Controller of Exports.

Your most obedient servant,

(Sd) B.M. Mehta),
Assistant Secretary to the
Govt. of India.

...

/True copy/

Superintendent,
Madras Record Office.

k.y.s. 24.7.

DEVELOPMENT DEPARTMENT

In March 1948 we asked India that with reference to the quantities exported in the past to areas now in Pakistan, this Province may be given an export quota 1200 bales (equivalent to 10.8 million yards) and that for the first half year of 1948 10,8000,000 yards may be allowed for export to Pakistan. In January, this Government urged that there was a case for revising the export quotas for the mill and handloom cloth with reference to the total. All India production and that the export quota for handloom cloth should be raised from 30 million yards to atleast 100 million yards a year,/that for mill cloth, restricted to 200 million yards. India's reply to these requests is at page 23 c.f. India have decided to license exports of handloom cloth freely upto the end of July 1948. No further action is called for now in this file. It is presumed that India will take into consideration all the suggestion already made by this Government if they desire to change the policy after July 1948. The papers may be recorded.

/and

C.P.P.
10.5.1948.

G.O. Ms. No. 2370 dated 10.5.1948.

Textiles - Handloom Cloth - Export to all permissible destinations outside India - Free licensing till the end of July 1948 - Government of India's reply - Papers recorded.

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/True copy/

Superintendent,
Madras Record Office.

k.y.s. 24.7.

4/8/48